1	UNITED STATES DISTRICT COURT
2	DISTRICT OF MASSACHUSETTS
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4	UNITED STATES OF AMERICA,) Plaintiff)
5	vs.) No. 1-19-CR-10080-NMG-17
6	JOHN WILSON,)
7	Defendant.)
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10	DEEODE MUE HONODADIE NAMHANIEL M. CODMON
11	BEFORE THE HONORABLE NATHANIEL M. GORTON UNITED STATES DISTRICT JUDGE
12	SENTENCING
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14	John Joseph Moakley United States Courthouse Courtroom No. 4 One Courthouse Way
15	Boston, Massachusetts 02210
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17	February 16, 2022 3:34 p.m.
18	J.J4 p.m.
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1 PROCEEDINGS THE CLERK: All rise. 2 3 (The Honorable Court entered, 3:34 p.m.) THE CLERK: This is Case No. 19-10080, the United 4 5 States of America versus John Wilson. 6 Would counsel please introduce themselves for the 7 record. 8 MR. STEARNS: Good afternoon, your Honor. Ian 9 Stearns, Leslie Wright, Kristen Kearney, Steven Frank for the 03:34 10 government. 11 THE COURT: Good afternoon, Mr. Stearns, Ms. Wright, Ms. Kearney, and Mr. Frank. 12 13 MR. KENDALL: Good afternoon, your Honor. 14 defendant John Wilson, Michael Kendall, Andy Tomback and Lauren Papenhausen. 15 THE COURT: Good afternoon, Mr. Kendall, Mr. Tomback, 16 17 and Ms. Papenhausen. And we have Miss Victoria from Probation here as well. 18 19 We are here on the sentencing of Mr. John Wilson. 03:34 20 have received and read the presentence report, the government's 21 memorandum, the defendant's Sentencing Memorandum and an 22 extensive list of letters submitted in support of the defendant, including 20 letters from members of his family, 23 24 four from what I would call philanthropic acquaintances, 20 25 from professional acquaintances and 33 from friends, a total of

77 letters. Those are all of the writings I have received. 1 Is there anything I haven't mentioned that I should 2 3 have received? Mr. Stearns? MR. KELLY: Not from the government's perspective. 4 5 THE COURT: Mr. Kendall? 6 MR. KENDALL: You may have included it when you 7 referred to sentencing memos. There were some supplementary materials on the request for obstruction from the government. 9 THE COURT: Yes. I have read all of that and received 03:35 10 it. 11 MR. KENDALL: Thank you. THE COURT: Before we start, however, counsel, I note 12 that counsel will be well advised to use their time today to 13 14 argue why a particular sentence that they propose is appropriate, rather than to argue about what I view as esoteric 15 and academic issues pertaining to the calculation of the 16 quideline range from which both parties urge the Court to 17 depart and which the Court plans to do. 18 19 In addition, the Court does not consider it necessary to hold, nor will it hold, an evidentiary hearing concerning 03:36 20 21 whether Mr. Wilson obstructed justice with respect to an 22 affidavit he submitted to Court and, therefore, defendant's request for evidentiary hearing, docket 2523, is denied. 23 24 Court will consider all of the pleadings which have been

submitted to the Court by the defendant and by the government

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when imposing a sentence in this case, but I will not apply an obstruction of justice enhancement when calculating the guidelines applicable to this case.

So I understand there are multiple objections filed with respect to the Presentence Report. I'm going to deal with them first. I will announce my rulings on the government's objections and then a response if the government wishes to make it and hear from the defendant as well in that regard. Then I will turn to the defendant's objections and do the same thing.

Starting with the government's objections, the first three of the eight objections registered by the government do not need attention. Objection No. 1 corrects a Scribner's error. Objection No. 2 corrects the date of Mr. Wilson's arrest. Objection 3 is informational.

The fourth objection by the government is to the Probation Officer's determination that a two-level enhancement for obstruction of justice relating to an affidavit submitted by Mr. Wilson should not be applied. Probation states that it believes that the issue is a close call but defers to the Court. This dispute is largely academic because again, as I've said before, both parties are recommending a substantial downward departure from the guideline range and the Court agrees that one should be adopted. The Court, therefore, considers the issue moot and will not apply a two-level enhancement for obstruction of justice but will consider the

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arguments of both parties when imposing a sentence. The government's objection is, therefore, overruled as moot.

Objection No. 5, the fifth objection by the government, is to the Probation Officer's determination that there is no calculable loss or gain for purposes of an enhancement under the fraud guideline with respect to the offense level computation under Counts 1, 6, 8 and 9. This objection has been addressed many times before. The Court has overruled that objection as to numerous co-defendants, and in this case it does so again.

The fraud and deceit guideline, Section 2B1.1, is deemed by this Court to be applicable in this case rather than the commercial bribery guideline, which is 2B4.1. There is no specific gain or loss to be applied under the guidelines. It is clear to this judicial officer that Mr. Wilson's actions caused harm, not only to the University of Southern California, but also to the system of higher education in this country. That harm, because of its conjectural nature, however, cannot be calculated in terms of financial gain or loss sufficient to determine an enhancement under the loss tables in guidelines Section 2B1.1. Therefore, consistent with the prior rulings of this Court, government's objection No. 5 is overruled.

The government's sixth objection is to the Probation
Office's determination that the total amount of the bribes paid
by the defendant for the purpose of the Sentencing Guidelines,

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Sections 2C1.1 and 2B1.1, was \$100,000, and a resulting increase of the offense level ought to be eight. The government submits that the amount was \$1.22 million dollars and that the offense level should accordingly be increased by 14 levels pursuant to subsection B1(h) of the same guideline.

This dispute is also academic because the sentences recommended by the parties are substantial below the low end of the guideline range regardless of whether the base offense level is increased by 8 or by 14. The Court finds that the defendant intended that some portion of the \$1 million dollars that he paid to Singer concerning his daughters be directed to persons he believed were corrupt insiders at Stanford and Harvard and agrees with the Probation department, that on the evidence before it, the bribe amount cannot be reduced to a specific figure as is required to calculate a guideline enhancement. It appears with the Probation Officer's determination that \$100,000 of the \$220,000 payment the defendant made to Singer in connection with the admission of his son to University of Southern California was a bribe for the purpose of calculating the applicable offense level.

The government's objection, therefore, is overruled.

Nevertheless, it is clear to this judicial officer that

Mr. Wilson intended to bribe individuals whom he believed to be corrupt insiders at Stanford and Harvard with a huge sum of money to secure his daughters' admissions to those schools.

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Objection No. 7 of the government is derivative of its earlier objections 4 and 6 and concern the Probation Officer's calculation of the total offense level. For the same reasons that the earlier objections were overruled, government's objection No. 7 is overruled.

Finally, the eighth and final objection of the government is to the Probation Officer's recommendation that the Court consider a downward departure on the basis of the guidelines section for federal programs bribery, that is 2C1.1, may not properly address the defendant's culpability because the status of the University of Southern California as a recipient of federal funds did not bear on his motivations for engaging in the conduct for which he has been convicted under Count 2 of the Superseding Indictment.

The Court has previously overruled a similar objection by the government with respect to the defendant Abdelaziz. The Court will consider a downward departure or variance from the guideline range as is recommended by both parties on the basis of the defendant's culpability, which the Court considers to include whether his conduct was of the sort anticipated by the Sentencing Commission in promulgating Section 2C1.1 and, therefore, the government's objection is overruled.

I'll hear from the government with respect to my rulings on the government's objections if they wish to be heard. Mr. Stearns.

MR. STEARNS: No, your Honor. Thank you. 1 THE COURT: Do the defendants wish to be heard in that 2 3 regard? 4 MR. KENDALL: No, your Honor. 5 THE COURT: Then we'll turn to the defendant's 6 objections. I note that, pursuant to footnote No. 1 on page 3 7 of the defendant's Sentencing Memorandum, the defendant concedes that most, that is 48 of his 68 objections to the Presentence Report, are informational and, in my opinion, 03:45 10 and/or support his arguments and, therefore, they are overruled 11 as not pertinent to the guideline calculations. 12 I will address the other objections which the defendant contends are noninformational as follows: 13 14 First, objection No. 27, which pertains to the defendant's tax liability, it also raises previous rejected 15 factual and legal arguments and it is overruled. 16 Objections 36 and 37 concern the construction of the 17 obstruction of justice issue which the Court will not address 18 19 for reasons discussed when addressing the government's 03:45 20 objection just now. 21 Objection No. 39, which pertains to the alleged impact 22 on the University of Southern California, is mostly 23 informational and, to the extent it is not, it is overruled. 24 Objection No. 40 adopts the argument made in objection 25 No. 27 and it is overruled for the same reasons.

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Objection No. 42 disputes the Probation Officer's calculation of an adjusted offense level of 22 based upon the application of the bribery guideline, that is 2C1.1, to determine the base offense level as well as the Probation Officer's application of an 8 level enhancement. The Court agrees with the Probation Officer's and the defendant's objection No. 42 is overruled.

Objection No. 43, disputes the Probation Officer's finding that Count 13 of the Superseding Indictment cannot be grouped with the other counts for the purpose of calculating the guideline range. The Court agrees that the count cannot be grouped and, therefore, objection No. 43 is overruled.

Objection No. 44 concerns the application of Sentencing Guidelines Section 2C1.1 to determine the base offense level, which defendant contends is incorrect. The Court agrees again with the Probation Officer's determination that 2C1.1 applies and defendant's objection 44 is overruled.

Objection No. 45 disputes the Probation Officer's application of an eight-level enhancement under 2C1.1(b)(2) because the value of the payment exceeded \$95,000. Defendant asserts that because no public official was involved and because the Presentence Report misstates the, quote, value of the payment, unquote, he made, no enhancement applies. For the reasons stated with respect to the government's objection No. 6, the Court agrees with the Probation Officer's

calculation of the enhancement and the defendant's objection No. 45 is overruled.

Objection No. 46 concerns the recommendation that the tax loss in this case was \$88,546. Defendant contends that some portions of the \$220,000 could have been claimed as a charitable deduction. The Court agrees with the Probation Officer's conclusion that because the entire payment was fraudulent, it could not have been taken as a deduction and, therefore, defendant's objection 46 is overruled.

Objection No. 47 concerns the Probation Officer's calculation of the multiple count adjustment per Section 3D1.4. It is derivative of objection No. 43, which the Court overruled and, therefore, objection No. 47 is overruled.

Objection No. 48 is also derivative of the earlier objections and, therefore, is overruled.

Objection No. 63 has to do with the defendant's net worth and the value of his assets, which the Probation Officer has amended to state that his net worth is at 3.5 million plus. The Court, therefore, acknowledges that at least part of that objection was sustained and part of it is overruled.

Finally, with respect to objections 66, 67, and 68, they are derivative of the defendant's objections to the calculation of the offense level which has been overruled and, therefore, they are also overruled.

I will hear from the defendant if they have any

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comments with respect to the Court's ruling on his objections to the Presentence Report.

MR. KENDALL: None, your Honor. We just wanted to preserve our rights to everything.

THE COURT: Your rights are preserved, Mr. Kendall.

Does the government have any response in that regard?

MR. STEARNS: No, your Honor.

THE COURT: We turn to the Presentence Report and the recommendations made in that report by the Probation Officer with respect to the calculation of the guidelines, albeit that they are in large part not controlled in this case. I am advised that the 2021 Guideline Manual applies. That's the most recent manual. Within that manual, because we need to consult with three separate guidelines by virtue of the superseding indictment for fraud, bribery and false tax returns, we go to the conspiracy guideline, 2X1.1. That refers us to the base offense level of the substantive offense. We are going to have to group these counts so that under the fraud and bribery counts, that's 2B1.1, applies to the fraud counts and 2C1.1 to the bribery counts. It is recommended that I group those two but not the two with the false tax return counts, which is controlled by guidelines 2T1.1.

Considering all three of those guidelines, and because the offense level for the most serious of the counts comprising the groups of the fraud counts and the bribery counts is the

bribery count itself, we go to that to determine the first base offense level for those groups. Again, 2X1.1, the conspiracy guideline, refers us to the substantive count, which in this case is 2C1.1.

The offense involved convictions for more than one bribe and, therefore, under Count 11 of the superseding indictment, that was a \$500,000 wire transfer in October of 2018.

Count 12 of the superseding indictment was for a wire transfer to the KWF Foundation account in December of 2018.

The defendant paid Singer \$220,000 in March of 2014. That comprised of \$100,000 to KWF and \$100,000 to the Key and \$20,000 to Singer personally. Accordingly, a two level enhancement is applied to the base offense level of 12 and, furthermore, because the monetary value of the benefit to be received by the defendant cannot be determined, the value of the payment that went to the Southern Cal men's water polo account controlled by Coach Vavic as a bribe of \$100,000 is the determinative figure.

Therefore, under Section 2C1.1(b)(2), since the value of the payment made by the defendant exceeded \$95,000 but did not exceed \$150,000, the offense level is increased by 8 levels under guidelines Section 2B1.1(b)(1)(F). That all means that the adjusted offense level of the first group is 22.

Do counsel have any comments with respect to those

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         findings? Mr. Stearns?
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                  MR. STEARNS: No, your Honor, just subject to our
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         prior objections.
                  THE COURT: Mr. Kendall?
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                  MR. KENDALL: Same, your Honor.
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                  THE COURT: All right then.
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                  As to the second group, which was for the filing of
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         the false tax return, we turn to Section 2T1.1. The base
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         offense level is corresponding to the tax loss from the tax
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         table under Section 2T4.1. Because the tax loss is 88,000 plus
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         dollars, that falls between $40,000 and $100,000. The base
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         offense level is 14 pursuant to guideline Section 2T4.1(E).
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                  Do counsel agree with that calculation?
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                  MR. STEARNS: Yes, your Honor.
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                  MR. KENDALL: Same, your Honor.
                  THE COURT: The Court so finds. Therefore the
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         adjusted offense level on the tax count is 14.
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                  Then turning to the multiple count adjustment under
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         guideline Section 3D1.4, count group one calls for one unit and
         the count group two calls for a .5 unit. That's a total of 1.5
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         units. Pursuant to 2D1.4, that means I should add one offense
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         level to the number assigned to the amount of the highest
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         offense level. That was 22. That means that the combined
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         adjusted offense level is 23 and the total offense level is 23.
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                  Do counsel agree with those calculations? Mr. Stearns?
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                  MR. STEARNS: Yes.
                  MR. KENDALL: Yes, your Honor, subject to our
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         objections.
                  THE COURT: Yes.
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                  Turning to the defendant's criminal history, he has no
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         prior convictions and falls in Criminal History Category I.
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         That means that with a total offense level 23 and a Criminal
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         History Category I, the guideline range applicable in this case
         is 46 to 57 months.
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                   Do counsel agree with those calculations?
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         Mr. Stearns?
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                  MR. STEARNS: Yes, your Honor.
                  THE COURT: Mr. Kendall?
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                  MR. KENDALL: Yes, your Honor.
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                  THE COURT: The Court so finds. And, of course, I
         have carefully considered the recommendations made in both of
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         the Sentencing Memorandums, but I will hear recommendations for
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         sentencing, starting with the government, Mr. Stearns.
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                  MR. STEARNS: Thank you, your Honor. A week before
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         the FBI approached Rick Singer in this case, he and the
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         defendant John Wilson were captured on a court authorized
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         wiretap. When they thought no one else was listening, they ban
         to discuss the side-door scheme for the defendant's daughters.
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                  The defendant asked Singer, "What sports would be best
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         for them or is that not even going to matter?"
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Singer responded, "It doesn't matter. I'll make them a sailor or something because of where you live."

In response to that, the defendant laughed and asked if he could have a two-for-one special because he had twins.

And the response to that, Singer laughed along with him.

Later, the defendant was captured on a consensually recorded phone call and by then the sailing plan had developed to focus on a specific school, Stanford. Singer told the defendant that he could get one of his daughters admitted to Stanford as a fake sailor in exchange for half a million dollar bribe, but the defendant would need to bribe someone else at another top school to get his second daughter admitted because, as Singer told John Wilson, the Stanford coach actually had to recruit some real sailors so that Stanford doesn't catch on to what he's doing. And the defendant again laughed, and he confirmed his understanding. "He's got to actually have some real sailors, right."

John Wilson did not just commit fraud and bribery like the other parents in this case. He did it brazenly, and he laughed while doing it. He didn't just lie on his taxes either. With respect to the side-door payments for his son at USC years earlier, in an email to Singer, he described the tax fraud as awesome, awesome that he could deduct some of the bribe payments as fake consulting services and awesome that he

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could deduct the rest as fake charitable donation. Those are just some of the things that John Wilson did and said and thought in private, things that he didn't expect a jury, the government, or this Court to hear at sentencing.

And now, having been convicted of eight crimes from a jury of his peers, he resorts to minimization, finger pointing, and excuses throughout his informational objections in the PSR and his Sentencing Memorandum.

For example, in his objections to the PSR, he claims that the language I just quoted to the Court, the coach actually has to have some real sailors so that Stanford doesn't catch on, he says that that language was soft and ambiguous. In other words, this Harvard educated executive who described himself on tape to Rick Singer as one of McKinsey's foremost thought leaders on pricing strategy, he just didn't get it, just like he claims he didn't get or he didn't read the fake water polo profile for his son that Singer sent him and was sitting in his inbox during a night when he was actively sending emails. And just like he tried to suggest at trial, and continues to suggest, that it was his secretary's innocent oversight that he deducted part of the bribe payments as a business expense, even though on the face of the emails that made it crystal clear it was his own idea.

To this day, this defendant continues to declare that he is not only innocent but that he and his family were

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exploited by Rick Singer, that they are victims of the very co-conspirator that he was caught on tape laughing with about lies that he told and agreed to tell schools.

At sentencing, he submitted a letter from his wife asserting that there were misleading statements during the trial in this courtroom during the trial. He submitted a letter from his son who refers to the facts underlying the jury's verdict as allegations, and then calls those allegations preposterous. Preposterous. But they're not allegations any more and they're certainly not preposterous.

Here's what is preposterous though: Asserting that the defendant is one of the least culpable parents in this case.

That's a quote from his Sentencing Memo. We don't have time to compare the defendant's actions to all the other parents who have been convicted today, your Honor, but I would like to discuss Gamal Abdelaziz, the defendant who was just sentenced last week.

The defendant suggests that he is far less culpable than Gamal Abdelaziz. Mr. Abdelaziz did the side door for one of his three children. The defendant did it for all three of his children. Mr. Abdelaziz paid a \$300,000 dollar bribe.

This defendant paid four times that amount, 1.2 million dollars in three separate bribes. Mr. Abdelaziz was convicted on two counts of conspiracy. John Wilson was convicted on both of those counts, plus five more substantive counts of fraud and

bribery.

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Then the defendant tried to distinguish himself from Mr. Abdelaziz. He says on page three, quote, Abdelaziz agreed that Singer should lie to the IRS about the payments, and then it says that Wilson purportedly didn't do that.

The defendant didn't need Rick Singer to agree to lie to the IRS. The defendant did that all by himself. He was convicted of tax fraud, of lying on the same tax return in not one, but two ways. And one of those ways, the fee consulting services that were purportedly performed by Singer for his company, Hyannis Port Capital, that was the defendant's own idea.

At page 12 of his Sentencing Memo, he suggests that himself, Diane Blake, and one other parent are the only three parents in this scheme who are not actively involved, but as the evidence at trial established, your Honor, there were dozens, dozens of emails and nearly a dozen recorded phone calls in which this defendant was captured in realtime discussing both of the bribes and the lies in painstaking detail. The defendant was intimately involved in the scheme, and the evidence shows that he insisted on knowing the details.

Stripped of the minimizations, the excuses, and the finger-pointing, the defendant's conduct makes him one of the most culpable defendants in this case. And when the Court considers his strident refusal to accept responsibility for

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anything, he deserves the longest sentence of all the parents in this case.

I'd like to briefly address two other themes in the defendant's sentencing submission, your Honor. First, his charitable work. To be sure, like many of the defendants in this case, the defendant has given generously to charity, but the government respectfully submits that his charitable giving was not so unusual in comparison to other defendants, particularly given his enormous wealth to warrant a further reduction in his sentence.

Second, the defendant cites his difficult upbringing. The defendant's rise to academic and business success, your Honor, is noteworthy, but it doesn't explain or justify or excuse his conduct. John Wilson was a man in his mid 50s, decades removed from his childhood, when he decided to participate in the scheme involving lies and payoffs to get his three children into college, and those three children, unlike him, they didn't have the opportunity to go to private school. I mean they did have the opportunity to go to private school. They had private tutoring. They had every other opportunity that money could buy.

The defendant did not commit his crime out of want or need and he was not driven to a life of crime in his teenage years or his early 20s because of his childhood. Far from that. By the time the defendant decided to participate in this

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conspiracy, he had already achieved the American dream and he threw it all away, and his childhood had nothing to do with that.

The bottom line is this: The defendant may have had a humble beginning, but he is not humble and he has not yet been humbled. He stands before this Court regretful that he was caught, regretful that he was convicted, but he's not actually regretful for his conduct, and he accepts not an ounce of responsibility for his actions. The 21 month sentence that the government is recommending in this case, your Honor, reflects all these things. We acknowledge it's not an insufficient sentence but it's a fair one. It's significantly below his applicable guidelines range, however the Court calculates it, and it's firmly within just the guideline range for his tax fraud count alone, setting aside the multiple fraud and bribery convictions.

By contrast, the defendant's request for a six month term, that's half of what the Court sentenced to Gamal Abdelaziz to last week, a less culpable defendant.

And that brings me back to the word "preposterous", because then the defendant suggests that he cannot afford and does not deserve to pay a fine of more than \$25,000. The Court will recall this is the same defendant who was caught on tape bragging about and inviting Rick Singer to a birthday party he was going to throw himself at Versailles. Now he seeks credit

for the fact that the one million dollars in bribe payments for his daughters to get into college was seized by the government as proceeds of a crime. It is, to say the least, tone deaf.

The defendant would have the Court believe that he does not have the ability to pay a meaningful financial penalty, unlike every other defendant in this case, because he has to cover mortgages on not one mansion but two, and this is in a case where privilege and entitlement were the driving forces of the conspiracy.

For all those reasons, your Honor, the government respectfully recommends that the Court sentence John Wilson to 21 months in prison, to run concurrently on all counts of conviction, two years of supervised release, 500 hours of community service, a \$250,000 fine, and restitution as set forth in the PSR.

Thank you.

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THE COURT: Thank you, Mr. Stearns.

Mr. Kendall.

MR. KENDALL: Yes. Thank you, your Honor.

When determining John Wilson's sentence, I suggest to you the single most important thing for you to consider is his character. The government wants you to think of his character through one series of events, the events that led to his conviction in this courtroom and his involvement in the side door. They say that's it, that's all you need to look at. I

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suggest to you the way you judge a person's character is to look at what they did their whole life and see what values they have practiced and lived by, values that they have helped others with.

You've used a very apt and effective phrase from Yiddish, chutzpa, to describe the behavior here that you've seen here and been offended by. I'd like to take another concept from Jewish learning. It's called The Golden Ladder of Charity. It was something written 900 years ago by the foremost scholar in the history of the Jewish people, Rabbi Maimonides. He gave a list of criteria to use to evaluate the charitable works of a person. He said, these are the ways you can sort of rank and evaluate them.

Among the things he talked about was did the person give to people that they didn't know. Did the person give to the people who had no idea who they were? Did they give when they will not get any recognition or benefit? And did they give even though no one asked them to give? I'd like to review a little bit of the charitable accomplishments and contributions Mr. Wilson made.

And one thing I agree with Mr. Stearns. For a rich person to write a check and to give some money, that's very nice, but that's not a measure of character. That's a measure of fitting in with social conventions and sort of expectations. I suggest to you if we look at the contributions Mr. Wilson has

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made, it's far more than somebody just opening up a checkbook.

It's somebody giving their time, their skill, and their effort,

and I suggest to you giving time is a very precious thing.

Rich or poor, we never have enough time in our lives.

The first thing, of course, is Mr. Wilson's contribution for the autism charities. What you see from the letters that were sent by those people is he got involved because he saw such a pressing need for people afflicted with autism and for their families. There's over five million autistic adults in the United States, plus numerous children. Nobody in his family was afflicted by it but he thought it was a charity and an area where he could help.

And what do we see in the letters? He came in as a CEO and the first thing he said was you need to do a merger. You've got two small little charities that compete with each other and don't have a lot of impact. Let's put them together. And Dr. Robinson, Ricky Robinson from USC, describes how John came up with the merger idea and spent a year negotiating that merger to put it together. He spent a year convincing doctors and scientists and emotionally effected parents that they had to merge these organizations. And like a good CEO, he also told them, you have to change your strategy. You're talking about public education, awareness. We need to lobby the federal government and other sources to get research money to find a scientific cure.

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And what do we have in here? We look at Dr. Robinson's letter. His leadership in this effort was the key that actually brought this collaboration to the finish line. I am convinced his efforts made a huge difference, not just in the life of our organizations but for the lives of so many living with development disabilities.

Then you have Jon Shestack, one of the leaders of the autism groups whose family was personally effected. He describes it. "John took on his volunteer position as if it were his job. He met families and scientists and completely mastered the field. He helped us grow from over 5 million a year in revenue to over 20 million a year. There are thousands of excellent scientists working in the field when there were once less than a dozen. And the federal government now spends over 200 billion a year on autism research when they once spent under 5 million. None of this would have been possible without John Wilson's help and guidance. It's really hard to communicate what a super human force for good John was in our lives. He had the energy and talent of five men and gave it freely".

That's not writing a check to attend some fancy dinner and be with your rich friends. That was a 15 year commitment, providing leadership and vision that turned them around from a small group that raised funds to educate people to be more sensitive to be a major force in developing scientific research

to cure a terrible affliction.

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The second major philanthropic thing he's done addresses an issue that this Court has highlighted, appropriately so, throughout his discussion of the side-door activities. The Court has raised specifically the problem of economic inequality, the impact that the side door would have on people who did not have financial resources to compete that had to compete upon their grades and hard work only.

Ten years before John Wilson ever met Singer you heard from the testimony of his tax preparer. He created a trust and bequest in his will to give five million dollars to his college and to Harvard, his other alma mater for college scholarships to endow for students whose parents didn't go to college, for students in engineering math with good grades. This is exactly the same type of people the Court has been concerned about being left behind by the side door.

So while it doesn't excuse his conviction, and his conviction should not be erased, the values you're concerned about he put his money where his mouth is and he made commitments for a large amount of money to take care of that issue of social inequity. John didn't know the people who would get these scholarships. They'll never know him. He didn't get any benefit from himself or his children from the schools that he attended to make a bequest for. He made it the largest charitable contribution of his life because he shared

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the values you're concerned about, the issue of economic inequality in children getting into college.

There's an old saying that good character is what you do when nobody else is watching, so I want to turn to some of the letters from his friends that told you that, in addition to the large acts, being on boards taking major roles, what does he do in his every day life.

You have a letter from a Richard O'Keefe, a retired physician, who described how John, in fact, is not the arrogant person they describe but an incredibly humble person. As Dr. O'Keefe wrote to you, "He has worked very hard throughout his life and has become quite successful. In my experience, many people who share the same type of story tend to possess a great deal of braggadocio, but John is very humble and a very genuine person".

You also have him describing how when he was diagnosed with cancer, he had to go out of state for treatment, and because of some craziness in our insurance laws, it wasn't covered. John gave him the money to get his out-of-state cancer treatment. And what he says is he never raised it with John. He never asked. John somehow heard of the need and John gave him the money to get his treatment. And what does he say? "I am convinced that he is one of the reasons that I am still here today".

Finally, on a personal level, there's a letter from

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Jacqueline Bastien. You may remember when you read this letter she had a mother who was living on Cape Cod who had had dementia that was eventually overtaking her. When the woman tried to live independently, John was the person to come down and fix the house, fix the fence, deal with the landscaping. If it was too hot, he'd buy a couple of air conditioners and install them for her during a heat wave. Never asked to do this. Never solicited. He did it just because he wanted to help someone who needed him. And, in fact, when the family wanted to move her into a dementia care unit, they didn't have the money and he lent them \$30,000 so they could get proper care for her.

Finally, your Honor, you have the letter from his childhood friend, Fred Lukens, who describes the difficulties John grew up with, the sheer poverty, growing up in a housing project with violence, with alcohol and mental health issues. And from the earliest of age John was the one who shielded his siblings. John was the one that became valedictorian at his high school, overcoming some disabilities by always having good ethics and good values.

Finally, what was he like as a corporate leader? We live in an age when CEOs love to be greedy and everybody celebrates the more money they can grab for themselves, the bigger the yachts they can buy. What did the employees of Staples tell you in their letters? When John came into

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Staples, the first thing he did was take a ten percent cut. The company was doing poorly and he was going to share the pain. After that, he spent thousands of dollars every year giving rewards and bonuses in support out of his pocket, it was after tax money, this was not tax deductible stuff, to encourage his team and the middle management folks to stick with the company and work as a team.

And what did they tell you? He treated everybody the same, the union people, the midlevel workers, the low level workers. He has a tremendous sense of humility and he's not someone who's caught up in hierarchy. This is somebody who started off working his first job in life working in tobacco fields alongside migrant farm workers. He is not a person of arrogance and contemptuousness. Maybe he spends his money, but he spends it generously, sharing with many.

So, your Honor, I now want to turn to the sentencing issue. In terms of the issue of general deterrence, the sentences in this case are known nationwide. They're known internationally. The college admissions prosecutions in this courthouse have shown the world that people of wealth, of celebrity, of influence, are all subject to the same rules and the same punishment as the rest of the world. Giving him the sentence in line with the other defendants reinforces general deterrence. It doesn't undercut it.

As for specific deterrence, John has been a

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businessman for over 40 years. He has an unblemished record, not a single regulatory ethical problem in his entire career outside of the side door. The government brought a tax charge. He's been convicted on it, but you also know they went through probably a dozen or more of his tax returns. They combed his tax returns over several years, and this is the only issue they found. You remember from the trial, here is a guy who spends 38 to 42 percent of his income either in paying taxes or making charitable donations unrelated to Rick Singer. This is not somebody who is nickel and diming the government or cheating the government as a general practice, putting aside Count 13. This is somebody that has paid his fair share in taxes and, when they reviewed his taxes, they found nothing else to raise.

So, your Honor, their recommendation says he should get almost two times higher than the next sentence, four times more -- more than four times the average sentence that you have given in this case. You've sentenced, I believe, 15 people in this case. Other judges in this courthouse have sentenced others as well. We suggest to you, treating John somewhere in the middle of the group of the defendants is appropriate, above the average of four, four and a half months for the sentences you give, and we recommend six. Our point is simply, Judge, he is not the outlier that the government wants to make him out to be. You and other judges in this courthouse have noted several characteristics that warrant a longer sentence in this case.

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I'd like to review some of those now and how they apply to John.

Agent Keating of the IRS testified at trial. I'm sure you remember that, your Honor. She testified that Singer spoke to John Wilson differently than to the other parents. He had never used the word "bribe" to him. He had always told him all the money was going to a school program. We're not disputing the Court's ruling and the Court's instruction that that can be a corrupt bribe, but I suggest to the Court there is a difference in the corrupt bribe that goes to the school program and gives some benefit to the corrupt insider than putting cash directly in the pocket of the insider, which many of the parents did and got a far lesser recommendation than what the government does. I'm not challenging whether that can be a violation, but it's a difference in the degree of the violation is what I'm suggesting to you, your Honor.

He never took fake pictures of his children. He did not lie to his children's high school teachers and counselors, as many of the parents did. In fact, Coach Bowen was told he was applying and Coach Bowen supported Johnny's application to USC. Singer called other parents and described this fictitious IRS audit and got them to agree to participate in deceiving the IRS in the audit. Singer never even tried that with John because he knew John would never agree to it.

Singer never called John to get him to lie to USC

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about his child having an ankle injury or lie to the schools for any other purpose. In fact, John, unlike many of the parents, including Mr. Abdelaziz, never had one of his children write a phony college essay that claimed they were playing a sport that they didn't play.

There's a lot of behaviors in this case that the Court is rightfully indignant over and rightfully critic of. I suggest one of the behaviors that's the most egregious, if not the most egregious, is when people made their children active participants in the behavior, getting them to knowingly pose for phony pictures they knew were going to be used improperly, getting for them or ghost writing for them essays that were false and misleading and having the children read it and help put it together.

To dirty your own children's hands with actual fraudulent conduct I suggest, your Honor, is the worst behavior that you'll find in this case. Many of the defendants who got lower sentences than the government recommendation did that. John Wilson's children knew nothing about the side door. He never had them involved and participating in it, and that is uncontested in this case, your Honor. That alone, I suggest, makes him not an outlier and the worst defender but somewhere in the mix of the defendants.

And if you look at what he taught his children, they scored incredibly high on the ACTs, all three of them. He

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hired tutors from Rick Singer who would grill these kids and make them work for months on end to prepare for those tests and get honest scores. His son was an honest athlete, who actually was on the USC team for a season even if he was out for a lot for concussion. His daughters had wonderful activities, champions in debate and math team.

These are the practices and the way he taught his children to be. He never involved them in any of the behavior of the side door, which so many of the other defendants who have been sentenced actively did.

The sad irony of John's conviction is his kids didn't need a side door. They were qualified, capable kids that could have got into highly competitive schools without the side door. That is his problem, that he made judgment, but I'm just pointing out, your Honor, he taught his children values that you would admire and respect, unlike many of these defendants who taught their children to cut corners.

The government's sentence is excessive, your Honor.

We ask that he be sentenced more in line with the other

defendants. The sentence recommendation they make will cause

not just John but his wife and children to suffer far more than

is necessary.

I want to address briefly the issue of the obstruction. I'm grateful you found the government did not carry its burden of proof and it wasn't relevant to the

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guideline calculation. I do not want any aspect of that to influence the Court. We have put together four affidavits. They control Rick Singer and they won't say what Rick Singer's view on it was. They would not disclose anything what the other witness to that phone call would say. I suggest you can draw an adverse inference against the government if they're hiding Rick Singer's statements on that when four people have put in affidavits and two of them are willing to testify in court.

You can say many things about John Wilson, your Honor, but I don't think anybody could say that he would ever put up his wife or children to commit perjury in this court for his own benefit. His problem is he does too much for his children, not that he exploits them for his own legal issues.

So I ask that the obstruction allegation have no impact on your assessment of what type of downward departure is appropriate.

Finally, with respect to the fine, your Honor, there's a few things. We say he doesn't have a lump sum because his assets aren't liquid. If you are to impose a substantial fine, we'd ask that you give him six months. He has all sorts of debts and assets that are just not cash that can be readily used. Many things are tied up in his business. So a six month period to pay a substantial fine, I'd suggest, is not arrogant or lacking of humbleness. It's just an economic reality.

1 Your Honor, in terms of what is the appropriate fine, the government is getting a million dollar forfeiture from him. 2 I believe that's four times the amount anybody else has paid in a fine. I'd ask that you factor that into your analysis as 5 well. I thank you for your patience as always, your Honor. 7 We await your judgment. 8 THE COURT: Thank you, Mr. Kendall. Does the defendant wish to address the Court before 9 04:26 10 sentence is imposed? 11 THE DEFENDANT: Yes, your Honor. Can I take this off? 12 THE COURT: Yes, you may. 13 THE DEFENDANT: Thank you, your Honor, for the 14 opportunity to speak today. The last several years have been extremely difficult for me and my family, and yet I know that 15 in many ways I'm a very fortunate person. 16 The U.S. educational system is one of the best in the 17 world, and it's changed my life profoundly for the better. 18 19 That is why I especially regret and apologize for any negative 04:26 20 impact that my actions have had on the level of trust and 21 confidence that people have in the college admissions process 22 and higher education in general. 23 I have a wonderful wife, three honest and hardworking 24 kids, and my children have earned tremendous success in school

with their own hard work and in many other areas as well.

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I am incredibly proud of them. And I'm terribly sorry that 1 2 because of the some of the choices I have made that my children have been publically and unfairly harmed. Your Honor, I know that you've been very diligent in 4 5 trying to root out any unfairness in the college admissions 6 process and I respect that and apologize to you as well. 7 I have always believed that the greatest 8 responsibility of someone who's achieved success in their life is to share it with others, and I have a lifelong history of 04:27 10 doing what I can to help others, at many levels. As you decide 11 what is an appropriate sentence for me, I ask that you look at my entire life and my entire life history and what I've done 12 for others in the past, and I would like still to do for others 13 14 in the future. 15 Thank you again for your time. THE COURT: Thank you, Mr. Wilson. 16 Do counsel know of any reason why sentence ought not 17 to be imposed at this time? Mr. Stearns? 18 19 MR. STEARNS: No, your Honor. 04:28 20 MR. KENDALL: No, your Honor. 21 THE COURT: Please stand, Mr. Wilson. 22 Before I impose sentence, I will explain my reasons 23 for doing so. 24 You stand before me the 15th parent whom I have had to 25 sentence in this college admissions scandal, once again leaving

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me dumbfounded and appalled. You are an intelligent and successful businessman whose achievements are all the more remarkable considering your difficult childhood. You have used your wealth and privilege to help others, as reflected in the numerous letters submitted on your behalf, but you stand before me today a convicted felon because you also used your wealth and privilege to bribe your son's way into Southern California and attempted to pay for your daughters to get special treatment and allow them to get into Harvard and Stanford.

Mr. Wilson, as I have said to many of your co-defendants before, you, of all people, should understand the value of education and how important it is that the college admissions be fair and accessible. Where would you be, for instance, if your admission to RPI had depended on how much money your family could pay to secure it? It astounds me that someone who worked so hard for his education would enter into a conspiracy to cheat his son's way into a prestigious university by paying \$200,000 to someone to fabricate an athletic profile and secure his admission as a water polo recruit based upon false qualifications. Nevertheless, you did just that. Undeterred, you attempted to do the same thing for your daughters. Only this time you agreed to pay \$500,000 each to get them into prestigious universities. In doing so, in essence, you stole admission spots at good colleges from other deserving students who did not have all of your advantages.

Part of my responsibility as a judge when imposing sentence in criminal cases is to deter, first to deter you from ever doing anything like this again despite the fact that you have not accepted responsibility for the crime of which you have been convicted by a jury, nor shown the least remorse in that crime and, second, to deter generally any parent of a college applicant who is rich enough and unprincipled enough to try to bribe their kids' ways into college from doing so. That is why I'm going to send you to prison, and I hope you and others get the message and that you spend the rest of your life and your considerable good fortune making up for your egregious conduct.

Pursuant to the Sentencing Reform Act of 1984 and having considered the sentencing factors enumerated in Title 18 of United States Code, Section 3553(a), it is the Judgment of this Court that you, John Wilson, are hereby committed to the custody of the Bureau of Prisons to be imprisoned for a term of 15 months. This term consists of terms of 15 months on all superseding counts, to be served concurrently.

Upon release from imprisonment, you shall be placed on supervised release for a term of two years. This term consists of terms of two years on all counts of the Fourth Superseding Indictment except Count 13, and a term of one year on Count 13 of the Superseding Indictment, such terms to run concurrently.

Within 72 hours of release from custody of the Bureau

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of Prisons you shall report in person to the district to which you are released.

It is further ordered that you shall pay to the United States a fine of \$200,000. This consists of \$100,000 on Count 1 of the superseding indictment and \$100,000 on Count 2 of the superseding indictment.

It is further ordered that you shall pay a lump sum of \$200,000, which is due and payable within 90 days of sentencing.

Any fine imposed is to be continued to be paid until the full amount, including any interest required by law, is paid. All fine payments shall be made to the Clerk of the United States District Court. You are to notify the United States Attorney for this district within 30 days of any change of mailing residence address that occurs while any portion of the fine remains unpaid.

While under the Probation Office's supervision, you shall comply with the following terms and conditions: First, you shall not commit another federal, state, or local crime. You shall not unlawfully possess a controlled substance. Drug testing conditions are suspended based upon the Court's determination that you pose no risk of substance abuse. You must cooperate in the collection of a DNA sample as directed by the Probation Officer and you are to comply with the standard conditions that have been adopted by this Court and are

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described in the Sentencing Guidelines at Section 5D1.3(c), which will be set forth in detail in the Judgment and Committal.

The following special conditions apply during your supervised release: First, you must pay restitution to the Internal Revenue Service in the amount of \$88,546 according to a court-ordered repayment schedule. You are to meet with the Internal Revenue Service within the first six months of your period of supervised release in order to determine your prior tax liability and you are to file tax returns and pay any past or future taxes due.

You must complete 400 hours of community service at an agency approved by the Probation Office.

You must pay the balance of any fine or restitution imposed according to a court-ordered repayment schedule.

You are prohibited from incurring new credit charges or opening additional lines of credit without the approval of the Probation Office while any financial obligation remains outstanding. And you are to provide the Probation Office access to any requested financial information which may be shared with the Financial Litigation Unit of the United States Attorney's office.

It is further ordered that you shall pay to the United States a Special Assessment of \$800, which shall be due and payable immediately.

1 Mr. Wilson, you have a right to appeal this sentence. If you choose to appeal, you must do so within 14 days. If you 2 cannot afford an attorney, an attorney will be appointed on 3 4 your behalf. 5 Do you understand that? 6 THE DEFENDANT: Yes. 7 THE COURT: Pursuant to the joint motion which was 8 filed by your counsel and counsel for your co-defendant 9 Abdelaziz, which was allowed by this Court last week, your 04:36 10 surrender date is indefinitely postponed pending a decision of 11 this Court, but you nevertheless remain subject to the previous 12 conditions and under the same bond imposed pretrial, 13 specifically relative to reporting to your Probation Officer 14 and receiving permission to travel, et cetera. Do you understand that? 15 THE DEFENDANT: Yes, your Honor. 16 THE COURT: Is there any further business then to come 17 18 before the Court in these proceedings? Mr. Stearns? 19 MR. STEARNS: No, your Honor. THE COURT: Mr. Kendall? 04:37 20 21 MR. KENDALL: One small matter. We asked if the Court 22 would consider a judicial recommendation to the Bureau of Prisons that he be assigned to FMC Devens. 23 THE COURT: Yes. If the Bureau of Prisons deems that 24 25 the appropriate security level for this defendant, the Court

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recommends that he be incarcerated at the Devens facility.
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              MR. KENDALL: Thank you, very much.
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              THE COURT: We're adjourned.
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              THE CLERK: All rise.
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              (The Honorable Court exited, 4:37 p.m.)
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              I, Kristin M. Kelley, certify that the foregoing is a
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    correct transcript from the record of proceedings taken
    February 16, 2022 in the above-entitled matter to the best of
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    my skill and ability.
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         /s/ Kristin M. Kelley February 18, 2022
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         Kristin M. Kelley, RPR, CRR
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